

**CITY OF TRAVERSE CITY  
HOUSING AND BUILDING COMMITTEE**

**Thursday, July 13, 2017**

**4:00 p.m.**

**Committee Room  
Governmental Center, 2nd Floor  
400 Boardman Avenue  
Traverse City, Michigan 49684**

**Posted 7/11/17**

**AGENDA**

The City of Traverse City does not discriminate on the basis of disability in the admission or access to or treatment or employment in, its programs or activities. Penny Hill, Assistant City Manager, 400 Boardman Avenue, Traverse City, Michigan 49684, 922-4440, T.D.D., 922-4766, has been designated to coordinate compliance with the non-discrimination requirements. If you are planning to attend and you have a disability requiring any special assistance at the meeting and/or if you have any concerns, please immediately notify the ADA Coordinator.

Planning Commission  
c/o Russell Soyring, Planning Director  
400 Boardman Avenue, Traverse City, MI 49684  
231-922-4778

1. CALL MEETING TO ORDER
2. APPROVAL OF 6/1/17 MINUTES (ACTION REQUESTED)
3. REVIEW OF DATA COLLECTED FROM EXISTING TOURIST HOMES (DISCUSSION)
4. REVIEW OF TOURIST HOME DRAFT ORDINANCE (DISCUSSION)
  - a. LICENSE SECTION AMENDMENT
  - b. POSSIBLE HIGH AND LOW INTENSITY LEVELS
5. NEXT MEETING- JULY 27, 2017, 4:00 p.m.
6. PUBLIC COMMENT
7. ADJOURNMENT

# **CITY OF TRAVERSE CITY HOUSING AND BUILDING COMMITTEE**

**Thursday, June 1, 2017**

**4:00 p.m.**

**Committee Room  
Governmental Center, 2nd Floor  
400 Boardman Avenue  
Traverse City, Michigan 49684**

## **MINUTES**

**COMMITTEE MEMBERS PRESENT:** Camille Weatherholt, Brian Haas, Janet Fleshman

**COMMITTEE MEMBERS ABSENT:** None.

**STAFF PRESENT:** Missy Luick City Planning Department

**1. CALL MEETING TO ORDER-** Janet Fleshman called the meeting to order at 4:00 p.m.

**2. APPROVAL OF 5/18/17 MINUTES (ACTION REQUESTED)-** Motion by Haas, second by Weatherholt to approve the minutes. Motion carried 3-0.

**3. REVIEW OF TOURIST SURVEY (DISCUSSION)**

Discussion included what is the focus of the survey, as well as what questions should be put in the survey.

Discussion included creating two different surveys, one online survey for all citizens and one survey mailed to tourist home owners and adjacent neighbors.

Staff is seeking comments from the Committee regarding proposed edits to the draft tourist home letter and survey, and will make revisions based on comments. Staff will begin to contact the owners of tourist homes to collect information on occupancy numbers during 2016.

**4. REVIEW OF DRAFT TOURIST HOME ORDINANCE AMENDMENT (DISCUSSION)**

There was discussion regarding the impact and intensity of tourist homes on a neighborhood. Tourist homes were compared to home occupations, which are allowed by right without a separation requirement, but are subject to several conditions.

The Planning Commission will discuss tourist homes and the direction that the Committee is headed on July 5<sup>th</sup> to check in and make sure that the Planning

Commission agrees with the approach of possibly regulating tourist home intensity levels.

**6. NEXT MEETING- JULY 13, 2017, 4:00 p.m.**

**7. PUBLIC COMMENT**

The following individuals addressed the Committee:

- Adrienne Rossi, 312 W 7<sup>th</sup> Street
- Linda Lichty, 715 Pine Street
- Jan Cleland, 211 W. 12<sup>th</sup> Street
- Deni Scrudato, 422 E. State Street
- Tom Mead, 109 N. Elmwood Ave.

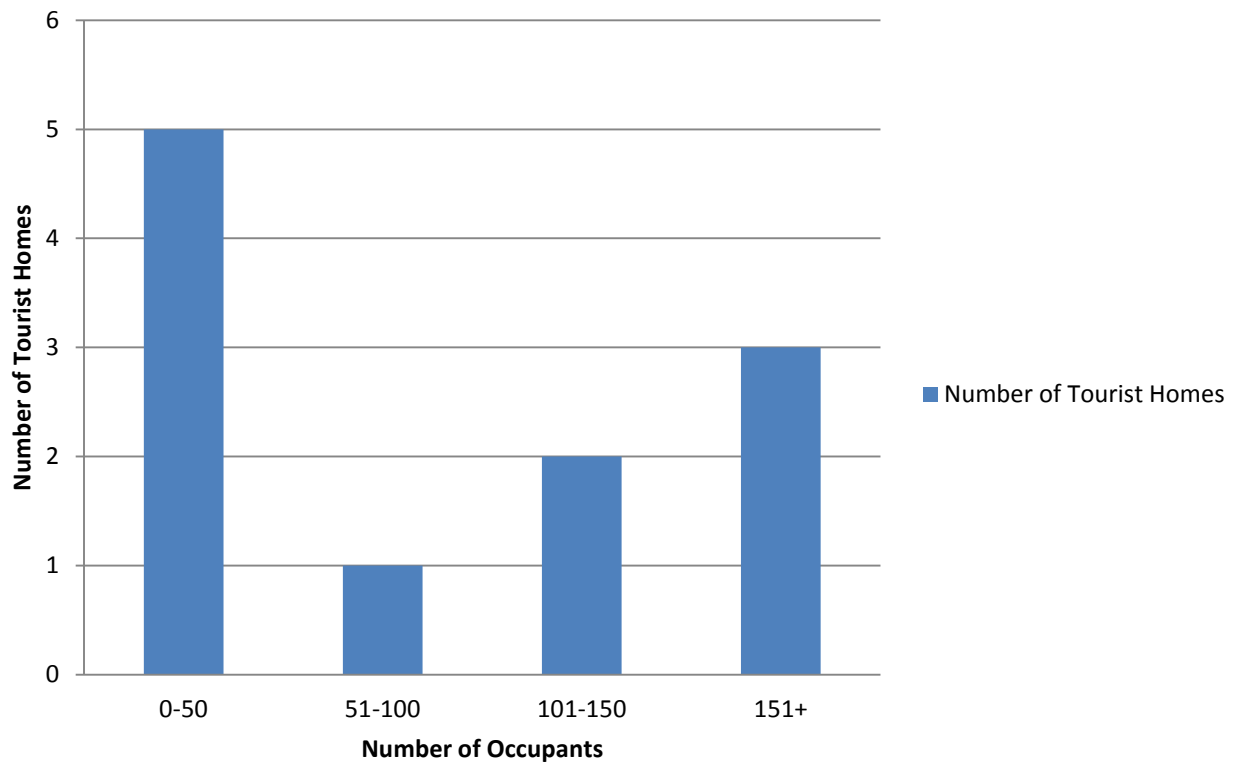
**8. ADJOURNMENT-** Meeting adjourned at 5:03 p.m.

## Tourist Home's 2016 Data

**Background:** Information was gathered from owners of 2016 licensed tourist homes in Traverse City. There are currently 20 tourist homes in Traverse City, of those 4 were newly license in 2017, and 4 owners did not respond. The data gathered was number of reservations, occupants (guests), and number of nights during the year of 2016. Some occupant data is not exact, but rather an accurate estimation based off of reservations and average numbers of guests per reservation.

| Address of Tourist Home     | Number of Rooms             | Number of Nights | Number of Reservations | Number of Occupants (guests) |
|-----------------------------|-----------------------------|------------------|------------------------|------------------------------|
| 134 E. 11 <sup>th</sup> St. | 3                           | 144              | 60                     | 180*                         |
| 1058 Washington St.         | 1                           | 267              | 44                     | 90*                          |
| 1109 Bay St.                | 1 (two extra added in 2017) | 20               |                        | 38*                          |
| 627 W. Tenth St.            | 1                           | 34               |                        |                              |
| 2006 Chippewa St.           | 1-2                         | 169              | 65                     | 195                          |
| 727 Washington St.          | 3                           |                  | 7                      | 8                            |
| 1120 Pine Needle Ln.        | 3                           | 135              |                        |                              |
| 300 Birchwood Ave.          | 2                           | 0                | 0                      | 0                            |
| 873 Webster St.             | 1                           |                  | 25                     | 45*                          |
| 603 W. 7 <sup>th</sup> St.  | 2                           | 72               |                        | 131                          |
| 402 W. 10 <sup>th</sup> St. | 1                           |                  |                        | 20*                          |
| 1439 Veterans Dr.           | 2                           |                  | 450                    | 900                          |
|                             |                             |                  |                        | *Estimation                  |

## Tourist Homes



## TRAVERSE CITY CODE OF ORDINANCES

### ORDINANCE AMENDMENT NO. \_\_\_\_\_

Effective date: \_\_\_\_\_

TITLE: Tourist Home amendment for Single Family and Two-Family Dwelling Districts,

#### THE CITY OF TRAVERSE CITY ORDAINS:

That the *Uses Allowed*, Section 1332.01 in the Single Family Dwelling Chapter, the *Uses Allowed*, Section 1334.01 in the Two Family Dwelling Chapter and the *Tourist Home* Chapter 868 of the Zoning Code of the Traverse City Code of Ordinances, be amended to read in its entirety as follows:

#### 1332.01 - Uses allowed.

The following uses of land and buildings, together with accessory uses, are allowed in the Single-Family districts:

- Accessory Dwelling Units meeting the following requirements:

The intent of this section is to:

- (a) Preserve and maintain the character of predominately single-family residential neighborhoods while broadening housing choices.
- (b) Have owner-occupancy to provide the necessary on-site supervision that enhances maintenance and the preservation of the character of the City's single-family neighborhoods.
- (c) Prevent disruption in the stability of the single-family neighborhoods, speculation and absentee ownership.
- (d) Diversify housing options and create more affordable housing within existing single-family neighborhoods.
- (e) Enhance neighborhood stability by providing extra income that potentially could allow homeowners to live in their houses longer and maintain their property better.
- (f) Provide homeowners with a means of accommodating extended families, companionship, security, or services through tenants in either the accessory dwelling unit or principal dwelling.
  - (1) The existing site and use are substantially in compliance with this Zoning Code.
  - (2) There shall be a maximum limit of 10 newly registered accessory dwelling units per calendar year.
  - (3) The accessory dwelling unit is allowed only on a lot having at least 5,000 square feet.
  - (4) Only 1 accessory dwelling unit per parcel is allowed with a maximum of 2 dwellings per parcel.
  - (5) The accessory dwelling unit is clearly incidental to the principal dwelling unit and the structures' exterior appear to be single-family.
  - (6) Accessory dwelling units must meet the following additional requirements:
    - a. *Location of entrances.* Only 1 entrance may be located on the façade of the primary dwelling facing the street, unless the primary dwelling contained additional entrances before the accessory dwelling unit was created. An exception to this regulation is entrances that do not have access from the ground such as entrances from balconies or decks.

- b. *Exterior stairs.* Fire escapes or exterior stairs for access to an upper level accessory dwelling shall not be located on the front of the primary dwelling.
- (7) Individual site plans, floor plans, elevation drawings and building plans for the proposed accessory dwelling unit shall be submitted with the application for a land use permit.
- (8) The accessory dwelling unit incorporated in the principal dwelling may be no more than 800 square feet or the size of the principal dwelling, whichever is less. A unit in an accessory building may not exceed 800 square feet and must meet all the requirements of Section 1332.07. The accessory dwelling unit must have at least 250 square feet of gross floor area.
- (9) At least 1 owner of record shall occupy either the primary dwelling unit or the accessory dwelling unit. The owner occupant shall meet the requirements for a principal residence tax exemption.
- (10) The accessory dwelling unit shall be registered with the City Clerk's office.
- (11) The accessory dwelling unit shall not be leased for a period of less than 3 months at a time. Upon request of the City, the owner of record shall provide a lease agreement evidencing the length of the lease.
- (12) Each registered Accessory Dwelling Unit is subject to annual administrative review by the City. Registrant shall provide additional information as requested by the City.
- Adult foster care family home;
  - Athletic fields;
  - Boat houses if they are an accessory use, if they are designed for housing a boat, if provisions are made for routing of any boardwalk, and if proper state and federal permits are obtained;
  - Community Gardens;
  - Dwellings, single-family;
  - Essential services;
  - Golf courses;
  - Home occupations subject to the following conditions:
    - (1) A home occupation shall be conducted within the dwelling which is the bona fide residence of the principal practitioner of the occupation, or in a building accessory to such dwelling.
    - (2) All business activity and storage shall take place within the interior of the dwelling and/or accessory building.
    - (3) No alteration to the exterior of the residential dwelling, accessory building or yard that alters the residential character of the premises is permissible.
    - (4) The home occupation shall not generate vehicular traffic beyond 8 trip-ends per day.
    - (5) Only off-street parking facilities customary for a residential use and located on the premises may be used.
    - (6) No vehicles used in the conduct of the occupation may be parked, kept or otherwise be present on the premises, other than such as are customarily used for domestic or household purposes.
    - (7) Home occupations shall be conducted solely by persons residing at the residence, and no more than 2 such persons shall be employed in the home occupation.
    - (8) Any sign identifying the occupation must conform to the regulations of Traverse City Code Chapter 1476, Signs.

- (9) No sale or rental of goods is allowed on the premises, except as secondary and incidental to the furnishing of a service.
- (10) Instruction in crafts and fine arts are recognized as allowable home occupations if they meet the above conditions.
- (11) The use shall not generate noise, vibration or odors detectible beyond the property line.
- Medical marihuana cultivation on a parcel containing 1 single-family dwelling meeting the following requirements:
  - (1) No more than the maximum number of plants 1 person may cultivate under the Michigan Medical Marihuana Act shall be cultivated per parcel;
  - (2) The medical marihuana cultivation shall comply at all times with the Michigan Medical Marihuana Act and the General Rules of the Michigan Department of Community Health, as they may be amended from time to time;
  - (3) All medical marihuana plants cultivated shall be contained within a fully enclosed locked facility inaccessible on all sides and equipped with locks or other security devices that permit access only by the primary caregiver or qualifying patient cultivating the plants;
  - (4) Cultivation shall be conducted so as not to create unreasonable dust, glare, noise, odors, or light spillage beyond the parcel and shall not be visible from an adjoining public way;
  - (5) The principal use of the parcel shall be a dwelling and shall be in actual use as such.
  - (6) No transfer of medical marihuana to qualifying patients other than qualifying patients residing on the parcel shall occur.
  - (7) No alteration to the exterior of the residential dwelling, accessory building or yard that alters the residential character of the premises is permissible.
  - (8) No vehicles used in cultivation may be parked, kept or otherwise be present on the parcel, other than such as are customarily used for domestic or household purposes.
- Medical marihuana cultivation on a parcel containing more than 1 single-family dwelling, a two-family dwelling, or a multiple family dwelling meeting the following requirements:
  - (1) No more than 12 medical marihuana plants shall be cultivated per dwelling unit;
  - (2) The medical marihuana cultivation shall comply at all times with the Michigan Medical Marihuana Act and the General Rules of the Michigan Department of Community Health, as they may be amended from time to time;
  - (3) All medical marihuana plants cultivated shall be contained within a fully enclosed locked facility inaccessible on all sides and equipped with locks or other security devices that permit access only by the primary caregiver or qualifying patient cultivating the plants;
  - (4) Cultivation shall be conducted so as not to create unreasonable dust, glare, noise, odors, or light spillage beyond the dwelling unit and shall not be visible from an adjoining public way;
  - (5) The principal use of the dwelling unit shall be a dwelling and shall be in actual use as such;
  - (6) No transfer of medical marihuana to qualifying patients other than qualifying patients residing within the dwelling unit shall occur;
  - (7) No alteration to the exterior of the residential dwelling, accessory building or yard that alters the residential character of the premises is permissible.
  - (8) No vehicles used in cultivation may be parked, kept or otherwise be present on the parcel, other than such as are customarily used for domestic or household purposes.
- Playgrounds;

- Tourist homes meeting the following requirements:
  - (1) Rooms utilized for sleeping shall be part of the primary residential structure and shall not be specifically constructed or remodeled for rental purposes.
  - (2) Tourist homes will be separated based on number of occupants annually. Tourist homes at or exceeding 50 occupants a year will be labeled as high intensity, tourist homes below 50 occupants a year will be labeled low intensity.
  - ~~(2)~~(3) ~~The High intensity~~ tourist homes shall not be closer than 1,000 feet to an existing licensed tourist home. ~~Low intensity tourist homes do not have a separation requirement.~~
  - ~~(3)~~(4) The exterior appearance of the structure shall not be altered from its single-family character.
  - ~~(4)~~(5) There shall be no separate or additional kitchen facility for the guests.
  - ~~(5)~~(6) Off-street parking shall be provided as required by this Zoning Code and shall be developed in such a manner that the residential character of the property is preserved.
  - ~~(6)~~(7) A site plan is approved according to the Zoning Code. Certain site plan information may be waived at the discretion of the Planning Director.
  - ~~(7)~~(8) A City tourist home license is maintained.
  - ~~(8)~~(9) A tourist home shall be an incidental and secondary use of a dwelling unit for business purposes. The intent of this provision is to ensure compatibility of such business use with other permitted uses of the residential districts and with the residential character of the neighborhoods involved, and to ensure that tourist homes are clearly secondary and incidental uses of residential buildings.

#### 1334.01 - Uses allowed.

The following uses of land and buildings, together with accessory uses, are allowed in the Two-Family Dwelling District:

- Adult foster care family home;
- Art galleries in non-residential buildings built prior to 1950, provided they are located on an arterial or collector street and provided the building is not expanded other than for barrier free access requirements;
- Athletic fields;
- Boat houses if they are an accessory use, if they are designed for housing a boat, if provisions are made for routing of any boardwalk, and if proper state and federal permits are obtained;
- Community Gardens;
- Dwellings, single-family;
- Dwellings, two-family;
- Dwellings, multiple family, in non-residential buildings built prior to 1950, provided they are located on an arterial or collector street and provided the building is not expanded other than for barrier free access requirements;
- Essential services;
- Golf courses;
- Home occupations subject to the following conditions:
  - (1) A home occupation shall be conducted within the dwelling which is the bona fide residence of the principal practitioner of the occupation, or in a building accessory to such dwelling.

- (2) All business activity and storage shall take place within the interior of the dwelling and/or accessory building.
  - (3) No alteration to the exterior of the residential dwelling, accessory building or yard that alters the residential character of the premises is permissible.
  - (4) The home occupation shall not generate vehicular traffic beyond 8 trip-ends per day.
  - (5) Only off-street parking facilities customary for a residential use and located on the premises may be used.
  - (6) No vehicles used in the conduct of the occupation may be parked, kept or otherwise be present on the premises, other than such as are customarily used for domestic or household purposes.
  - (7) Home occupations shall be conducted solely by persons residing at the residence, and no more than 2 such persons shall be employed in the home occupation.
  - (8) No sign, display or device identifying the occupation may be used.
  - (9) No sale or rental of goods is allowed on the premises, except as secondary and incidental to the furnishing of a service.
  - (10) Instruction in crafts and fine arts are recognized as allowable home occupations if they meet the above conditions.
  - (11) The use shall not generate noise, vibration or odors detectible beyond the property line.
- Medical marihuana cultivation on a parcel containing 1 single-family dwelling meeting the following requirements:
    - (1) No more than the maximum number of plants 1 person may cultivate under the Michigan Medical Marihuana Act shall be cultivated per parcel;
    - (2) The medical marihuana cultivation shall comply at all times with the Michigan Medical Marihuana Act and the General Rules of the Michigan Department of Community Health, as they may be amended from time to time;
    - (3) All medical marihuana plants cultivated shall be contained within a fully enclosed locked facility inaccessible on all sides and equipped with locks or other security devices that permit access only by the primary caregiver or qualifying patient cultivating the plants;
    - (4) Cultivation shall be conducted so as not to create unreasonable dust, glare, noise, odors, or light spillage beyond the parcel and shall not be visible from an adjoining public way;
    - (5) The principal use of the parcel shall be a dwelling and shall be in actual use as such.
    - (6) No transfer of medical marihuana to qualifying patients other than qualifying patients residing on the parcel shall occur.
    - (7) No alteration to the exterior of the residential dwelling, accessory building or yard that alters the residential character of the premises is permissible.
    - (8) No vehicles used in cultivation may be parked, kept or otherwise be present on the parcel, other than such as are customarily used for domestic or household purposes.
  - Medical marihuana cultivation on a parcel containing a more than 1 single-family dwelling, a two-family dwelling, or a multiple family dwelling meeting the following requirements:
    - (1) No more than 12 medical marihuana plants shall be cultivated per dwelling unit;
    - (2) The medical marihuana cultivation shall comply at all times with the Michigan Medical Marihuana Act and the General Rules of the Michigan Department of Community Health, as they may be amended from time to time;

- (3) All medical marihuana plants cultivated shall be contained within a fully enclosed locked facility inaccessible on all sides and equipped with locks or other security devices that permit access only by the primary caregiver or qualifying patient cultivating the plants;
- (4) Cultivation shall be conducted so as not to create unreasonable dust, glare, noise, odors, or light spillage beyond the dwelling unit and shall not be visible from an adjoining public way;
- (5) The principal use of the dwelling unit shall be a dwelling and shall be in actual use as such.
- (6) No transfer of medical marihuana to qualifying patients other than qualifying patients residing within the dwelling unit shall occur.
- (7) No alteration to the exterior of the residential dwelling, accessory building or yard that alters the residential character of the premises is permissible.
- (8) No vehicles used in cultivation may be parked, kept or otherwise be present on the parcel, other than such as are customarily used for domestic or household purposes.
- Offices in nonresidential buildings built prior to 1950, provided they are located on an arterial or collector street and provided the building is not expanded except as necessary to meet barrier free access requirements.
- Tourist homes meeting the following requirements:
  - (1) Rooms utilized for sleeping shall be part of the primary residential structure and shall not be specifically constructed or remodeled for rental purposes.
  - (2) Tourist homes will be separated based on number of occupants annually. Tourist homes at or exceeding 50 occupants a year will be labeled as high intensity, tourist homes below 50 occupants a year will be labeled low intensity.
  - ~~(2)~~(3) The High intensity tourist homes shall not be closer than 1,000 feet to an existing licensed tourist home. Low intensity tourist homes do not have a separation requirement.
  - ~~(3)~~(4) The exterior appearance of the structure shall not be altered from its single-family character.
  - ~~(4)~~(5) There shall be no separate or additional kitchen facility for the guests.
  - ~~(5)~~(6) Off-street parking shall be provided as required by this Zoning Code and shall be developed in such a manner that the residential character of the property is preserved.
  - ~~(6)~~(7) A site plan is approved according to the Zoning Code. Certain site plan information may be waived at the discretion of the Planning Director.
  - ~~(7)~~(8) A City tourist home license is maintained.
  - ~~(8)~~(9) A tourist home shall be an incidental and secondary use of a dwelling unit for business purposes. The intent of this provision is to ensure compatibility of such business use with other permitted uses of the residential districts and with the residential character of the neighborhoods involved, and to ensure that tourist homes are clearly secondary and incidental uses of residential buildings.
- Other similar uses as approved by the Planning Commission provided:
  - (1) The uses are located on an arterial or collector street.
  - (2) The uses are in a non-residential building built prior to 1950 and the building is not expanded except as necessary to meet barrier-free access requirements.
  - (3) The uses will not generate excessive noise, lighting, fumes or other nuisances.

## Chapter 868 - Tourist Homes

### 868.01 - Definitions.

As used in this chapter:

- (1) *Owner* means any person who has equitable or legal title to any premises, dwelling or dwelling unit.
- (2) *Tourist home* means a single-family building owned and occupied by a person the owner renting out not more than three rooms for compensation to persons who do not stay for more than seven consecutive days.

### 868.02 - License required.

No person shall operate a tourist home without first obtaining a license therefor as required by this chapter. Only an owner shall be allowed to hold a license under this chapter.

An owner desiring a tourist home on their property is required to make written application for a license from the City Clerk. The City Clerk shall provide forms for applications.

The applicant shall truthfully state, in full, the information requested on the application, such as:

- (1) The applicant's name, telephone number, address of present place of residence, length of residence at such address;
- (2) Affidavit verifying applicant understands that tourist homes are subject to the conditions contained in this Ordinance section, in addition to conditions contained elsewhere in these Codified Ordinances.

### 868.03 - Conditions for issuance.

A tourist home license shall be issued subject to the following conditions, which conditions, are in addition to conditions contained elsewhere in these Codified Ordinances:

- (1) The home is occupied and operated by the owner and is a single-family residential dwelling.
- (2) A guest room shall not be located in the basement.
- (3) Not more than three occupants per room shall be allowed.
- (4) A person who does not reside at the home shall not be employed to assist in the conduct of a tourist home, except as usual for a single-family residence.
- (5) The home shall not be used by the public or paying guests for the hosting of receptions, private parties or the like.
- (6) A list shall be maintained of all guests and their places of residence.
- (7) A fire escape plan shall be developed and graphically displayed in each guest room.

### 868.04 - Notice of license application.

Upon receipt of a completed tourist home license application, the City Clerk shall notify all persons to whom real property is assessed within 300 feet of the proposed tourist home location. There shall be a 14-day period for comment to the City Clerk regarding the proposed operation, which comment period shall be stated in the notice.

### 868.05 - License fee.

The annual license fee shall be established by resolution of the City Commission.

### 868.06 - Inspections.

A tourist home shall meet all conditions of this chapter and other applicable ordinances and laws. There shall be an annual inspection of the premises by the City.

#### 868.07 - Lapse of operation.

The active operation of a tourist home shall not lapse for more than nine months.

#### 868.08 - Municipal civil infraction.

A person who violates any provision of this chapter is responsible for a municipal civil infraction.

#### 868.09 - Revocation.

The City Clerk may immediately suspend the license for cause or noncompliance with this chapter. Suspensions may be appealed to the City Manager. The City Manager may revoke any license for cause or noncompliance with this chapter following a hearing before the City Manager.

A license shall be revoked by the City Clerk if, upon receipt of written information or upon the Clerk's own investigation, the Clerk has reason to believe a tourist home:

- (1) Has violated any of the provisions of this chapter, the Traverse City Code, or any statute of the State of Michigan.
- (2) Has made a false material statement in the application or affidavit or has otherwise become disqualified for the issuance of such a license.
- (3) Has violated any provision of this chapter, which violation has been documented by a written complaint certified by the City Clerk pursuant to Section 868.10.

#### 868.10 – Complaint; Appeals

If a written complaint is filed alleging that a tourist home has violated any provisions of this chapter, the City Clerk shall promptly send a copy of the written complaint to the tourist home owner together with a notice that an investigation will be made as to the truth of the complaint. The tourist home owner shall be invited to respond to the complaint and present evidence and respond to evidence produced by the investigation. If the City Clerk, after reviewing all relevant material, finds the complaint to be supported by a preponderance of the evidence, the complaint shall be certified. If a license is denied or revoked by the City Clerk, or if a written complaint is certified pursuant to this section, the applicant or holder of a license may appeal to and have a hearing before the City Manager. The City Manager shall make a written determination, after presentation by the applicant and investigation by the City Clerk, as to whether or not the grounds for denial, revocation or complaint are true. If the City Manager determines that such grounds are supported by a preponderance of the evidence, the action of the City Clerk or the filing of the complaint shall be sustained and the applicant may appeal the City Manager's decision to the City Commission. Review by the City Commission shall be under the same standards of review as the determination by the City Manager and shall be in accordance with rules of procedure established by the City Commission. The City Commission's decision may be reviewed by a court of competent jurisdiction.

#### 868.99 - Penalty.

The effective date of this Ordinance is the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

I hereby certify the above ordinance amendment was introduced on \_\_\_\_\_, 2017, at a regular meeting of the City Commission and was enacted on \_\_\_\_\_, 2017, at a regular meeting of the City Commission by a vote of Yes: \_\_\_\_ No: \_\_\_\_ at the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

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James Carruthers, Mayor

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Benjamin C. Marentette, City Clerk

DRAFT



## Communication to the Planning Commission

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FOR THE MEETING OF: July 5, 2017

FROM: Missy Luick, Planning and Engineering Assistant

SUBJECT: Housing and Building Committee- Tourist Home Interim Report

DATE: June 29, 2017

The Housing and Building Committee has met regularly since January 2017 to discuss both Accessory Dwelling Units and Tourist Homes.

### **Housing and Building Committee Members**

- Janet Fleshman, Chair
- Brian Haas
- Camille Weatherholt

At the Housing and Building Committee's June 1, 2017 meeting, they agreed to check in with the Planning Commission regarding a possible tourist home amendment that separates tourist homes based on intensity. The committee wanted to know if the Planning Commission is comfortable with this direction. Many of the details have not been worked out, but a general idea was presented in a draft ordinance amendment.

In addition, staff is currently in the process of collecting data from existing tourist homes regarding number of nights booked as well as total occupancy (occupants) per year.

### **Tourist Home facts:**

Currently, there are 22 licensed tourist homes in the City. There were 19 licensed tourist homes in 2016. Tourist homes are required to renew their license annually.

Tourist Homes are allowed in R-1, R-2 districts with conditions and a license. Tourist Homes are also allowed in R-9/R-15/R-29 by license only. As defined in the Traverse City Zoning Code, *Tourist home* means a single-family dwelling owned and occupied by a person renting out not more than 3 rooms for compensation to persons who do not stay for more than 7 consecutive days.

### **Tourist Home Enforcement:**

In 2016, the city sent 26 letters sent to property owners informing them of the need to obtain a Tourist Home license to operate and 11 letters sent to property owners informing them to cease and desist operation because they do not meet the distance requirement and therefore cannot operate.

### **Housing and Building Committee Discussion**

- Mirror license requirements similar to the proposed changes to the license section for ADU's (includes better complaint and revocation process)

- Separate tourist homes based on intensity levels (number of occupants). High intensity tourist homes (over 50 occupants a year) must meet the 1,000 foot separation requirement. Low intensity tourist homes (less than 50 occupants a year) would not need to meet the separation requirement. All tourist homes require a license.

Attachments:           Draft amendment  
Existing Tourist Home ordinance excerpts

ML

**Existing Ordinance excerpts:**

**Tourist Home Excerpt from 1332.01 (R-1) and 1334.01 (R-2)**

Tourist homes meeting the following requirements:

- (1) Rooms utilized for sleeping shall be part of the primary residential structure and shall not be specifically constructed or remodeled for rental purposes.
- (2) The tourist home shall not be closer than 1,000 feet to an existing licensed tourist home.
- (3) The exterior appearance of the structure shall not be altered from its single-family character.
- (4) There shall be no separate or additional kitchen facility for the guests.
- (5) Off-street parking shall be provided as required by this Zoning Code and shall be developed in such a manner that the residential character of the property is preserved.
- (6) A site plan is approved according to the Zoning Code. Certain site plan information may be waived at the discretion of the Planning Director.
- (7) A City tourist home license is maintained.
- (8) A tourist home shall be an incidental and secondary use of a dwelling unit for business purposes. The intent of this provision is to ensure compatibility of such business use with other permitted uses of the residential districts and with the residential character of the neighborhoods involved, and to ensure that tourist homes are clearly secondary and incidental uses of residential buildings.

**Tourist Home Excerpt from 1336.01 (R-9,R-15, R-29)**

Tourist homes maintaining a City tourist home license

**Tourist Home license requirements are in Section 868**

Chapter 868 - Tourist Homes

**868.01 - Definitions.**

As used in this chapter:

- (1) *Owner* means any person who has equitable or legal title to any premises, dwelling or dwelling unit.
- (2) *Tourist home* means a single-family building owned and occupied by a person renting out not more than three rooms for compensation to persons who do not stay for more than seven consecutive days.

**868.02 - License required.**

No person shall operate a tourist home without first obtaining a license therefor as required by this chapter. Only an owner shall be allowed to hold a license under this chapter.

**868.03 - Conditions for issuance.**

A tourist home license shall be issued subject to the following conditions, which conditions, are in addition to conditions contained elsewhere in these Codified Ordinances:

- (1) The home is occupied and operated by the owner and is a single-family residential dwelling.
- (2) A guest room shall not be located in the basement.
- (3) Not more than three occupants per room shall be allowed.

- (4) A person who does not reside at the home shall not be employed to assist in the conduct of a tourist home, except as usual for a single-family residence.
- (5) The home shall not be used by the public or paying guests for the hosting of receptions, private parties or the like.
- (6) A list shall be maintained of all guests and their places of residence.
- (7) A fire escape plan shall be developed and graphically displayed in each guest room.

#### 868.04 - Notice of license application.

Upon receipt of a completed tourist home license application, the City Clerk shall notify all persons to whom real property is assessed within 300 feet of the proposed tourist home location. There shall be a 14-day period for comment to the City Clerk regarding the proposed operation, which comment period shall be stated in the notice.

#### 868.05 - License fee.

The annual license fee shall be established by resolution of the City Commission.

#### 868.06 - Inspections.

A tourist home shall meet all conditions of this chapter and other applicable ordinances and laws. There shall be an annual inspection of the premises by the City.

#### 868.07 - Lapse of operation.

The active operation of a tourist home shall not lapse for more than nine months.

#### 868.08 - Municipal civil infraction.

A person who violates any provision of this chapter is responsible for a municipal civil infraction.

#### 868.99 - Penalty.

TRAVERSE CITY TOURIST HOME PARCELS  
WITH 1000' RADIUS BUFFER ZONE

NO SCALE



4-26-17  
JPT

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